31-P

Previous references.
Administration Report
Madras 1908-09

File No 223 — 09

1909.

Serial Nos. 1—3

(Sep Rev.)

Later references.

S.R. 72-15 & Nos. 1-3,
B. January 1916.

S.R. 78-16 & Nos. 153, 181
Dec 16.

S.R. 41-17 & Nos. 1-316, B. Feb. 18

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1 — 3

Part B. for December 2

SUBJECT.

Prosecutions for offences under the Stamp Law

1. To the Commissioner of Stamps. No 7L 405 dy 1.2.11
Requests him to obtain & furnish for information re.
the number of documents impounded and of prosecution
ordered for evation of stamp law in the Madras Presi
dency during the past three years.

2. From the Comm^r of Stamps. No 379 dy 24-6-11.
Forwards two tabular statements giving the
information above called for (1) for the Madras Presidency
(2) for the Mysore State.

G. R. S. 58

3. 2. The Commissioner of Stamps in Empire
+ Dy Comm^rs of Districts
No H 3473-81 Dy 23.12.12

Directs that the Dy Comm^rs should in every
Case of evasion of stamp duty brought to
their notice in which a prosecution is not
ordered record their reasons for obtaining
from passing such an order —

G.R.S.11] 1909.

GENERAL AND REVENUE SECRETARIAT

(Sep Rev)

NOTES.

File No. 223 B/6

FILE HEADING.

Prosecutions for Offences under the Stamp Law.

From

No.	Dated	Received

Diary No.	Enclos.	Spare Copies	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

1. Proceedings of the chief Court. No. 2047-102 S/17.11.09

(1) Extract from the Chief Judge's notes of inspection of the Chickballapur Munsif's Court.

6. I see that during 1908-09 no less than 78 copies of impounded instruments were sent

NOTES—First sheet

GPB—30,000—3-4-07.

Serial No.

to the Deputy Commissioner under Section 38 of the Mysore Stamp Regulation, 1900, and I think I am correct in saying that in no single case was a prosecution ordered. Assuming that one out of a hundred plain paper bonds finds its way into Court, the amount of legitimate stamp revenue which is lost to the State in the Chickballapur Munsiffs alone would defray the entire cost of an additional Court.

* * * * * * *

(2) Dewan's order

Secretariat will please take note of para 6 of the Chief Court's circular Pro. no. 2017 dy. 17 Nov 09. with a view to (through 2nd Councillor) attention of Dy Crs being drawn to it

Initialled T.A.R.

24 April 10.

(3) Submitted

The Comr of stamps has already taken action on the lines indicated above. Please see the last para of his report on the administration of the Stamp Dept for the year 1908-09

NOTE—Contn. sheet.

GPB—55,000—27.4.09

Serial No.

Subd with a draft forwarding Secretariat of chief Court Pro: to the Commg Stamps & the Dy Comm.

Addl 12/5

mh 12/5/10

12/5/10

3813

Addl

Flag O

2nd Dy (4)

Please let me see the Ch. Ct's Circular referred to & the file connected with it.

12/5/10

To.

J mis 12/5 12 III for 12 mish putting up the file.

mh 14/5/10

CS 14/5

Subd. Please see linked file below.

No linked file formed with this file

Hcs 14.5.10 SW 16/5

To Branch II

Subd.

mh 16/5/10

28 (2nd)

16/5

17.5.10

NOTE—Contn. sheet.

GPB—55,000—27.4.09

Serial No.

(5) At the risk of being considered heterodox, I must say that I am not in favour of stimulating prosecutions under the Stamp law by any orders issued at frequent intervals by in the executive department. I refer chiefly to prosecutions under S. 65, for there are some other offences which so manifestly denote a criminal intent to ~~defr~~ evade payment of lawful duty, that prosecutions must be instituted under them as a matter of course.

S. 43 contains an express proviso that prosecutions should not be instituted unless it appears to the Dy C— that the offence was committed with the intention of evading Stamp duty. This shows that it was not the intention of the Legislature that there should be prosecution as a matter of course in every case.

(6) The Stamp Comm^rs report for 1908-9 (last paragraph) shows that he has advised Dy C^rs

NOTE—Contn. sheet.

GPB—55,000—27.4.09

Serial No.

to launch a few judicious prosecutions'. The Chief Judge has indicated his opinion ~~on~~ in these notes. Is it necessary for Govt to urge it again?

(1) The act of writing a document on an unstamped paper is not anything inherently wrong. It is made an offence only in the interests of safeguarding revenue. If two parties choose to dispense with any written agreement, they may legally enter into almost any contract with each other without paying a pie of revenue to Govt. The difference between an oral contract & one written on a chit, is after all not very much, and we need not necessarily jump to the conclusion that it is always an intent to defraud Govt & not a mere desire to escape worry &c that makes people write documents on unstamped paper.

It is always a worry to have to pay a tax or even a debt!

(2) Except the opinion (for which

NOTE—Contn. sheet.

GPB—55,000—27.4.09

Serial No.

no reasons are given) ~~the~~ of the Chief Judge and the Stamp Comm^r, there is no evidence to show that there is a growing tendency to evade payment of Stamp dues, or that for one plain paper bond finding its way to a Court, there are a hundred actually existing.

(9) After all, the provisions about the levying a penalty of 10 times the proper Stamp value, and non-admissibility of unstamped documents in evidence if are stringent enough to ~~make~~ deter people from evading provisions of the Stamp laws.

Not comes in my notice when they discovered

Why

But can we have statistics to ascertain the number of unstamped doc^ts?

(10) For these reasons, I would suggest that no action be taken by Govt in respect of the remark of the Ch. Judge, which has not been communicated to us for any such purpose besides.

6214
21-5-10.

Dewan

18/5/10

Note—Contn. sheet.

GPB—55,000—27.4.09

(11) ~~Hon~~ Concur - Secretary

C. 113
5-11-10.

GENERAL AND REVENUE SECRETARIAT.

COUNCIL MATTER.

SUBJECT. Prosecutions for offences under the Stamp Regulation.

CIRCULATED TO COUNCILLORS.

By order,

C S Balasundaram Jg
Ag. Secretary to Government.

5. 11. 1910

K. P. PUTTANNA CHETTY, Esq.,
First Councillor.

C 54 H. V. NANJUNDAYYA, Esq., M.A., M.L.
Second Councillor.

Opinion recorded

GBPM—9-6-10—300

G.R.S. 15]

Facing sheet for Cases included in the schedule appended to Notification No. 36 of the 8th. Aug. 1902.

GENERAL AND REVENUE SECRETARIAT.

Subject— Prosecutions for offences under the Stamp Regulation.

	Date	Initial of Officer himself or responsible Deputy.
Received in the Secretariat	-	
Submitted to Secretary		
Submitted by Secretary to Dewan or Councillor in charge	-	
Returned to Secretary	-	
Circulated by Secretary for Council	5. 11. 10.	
Forwarded by Councillor		
Forwarded by Councillor		
Received in Secretariat		
Considered in Council		
Submitted to the Dewan		
Submitted to His Highness		
Orders passed by His Highness		
Final Orders issued		
Circulated to Councillors		
Passed on by the Councillor		
Returned to Secretary by Councillor.		

GPE—1,000—13-10-09

G. R. S. 12]
General and Revenue Secretariat.

S & R File No. 223 of 1909

Serial No. (14)

The subjoined tabular statements give all the statistics that could be collected from the copies of Reports available in the Secretariat Library:-

	Year.	No: of cases in which prosecutions were instituted	No: of cases which resulted in conviction	No: of persons convicted.	No: of documents impounded
Bombay Presidency:-	1896-7	31	28	46.	765.
	1897-8	36	35	57.	672.
	1898-9	33	30	66	697.
	1899-00	25	22	36	627.

	Year.	No: of prosecutions instituted	No: of persons brought to trial	No: of persons convicted.	No: of impounded instruments.
United Provinces:-	1905-6	319	277	248.	1634.
	1906-7	312	338	301	1770.
	1907-8	403	458	383	2003.
Eastern Bengal & Assam:-	1905-6	70	77	68	2816.
	1906-7	163	214	182	2835.
	1907-8	62	77	57	3115
	1908-9.	38	44	33	3571.

H Pub 478.

Submitted.

A&R-121
15/12

15/12/11

9/1/11

(15) The figures for Madras would be interesting if they were available.

1947
11-1-11

NOTE—Contn. sheet.

GPB—50,000—12-8-10

11/1/11.

10/1/11.

G. R. S. 12]
General and Revenue Secretariat.

S.R. File No. 223 of 1909

Serial No.

478

× Report for 1908-9 p. imp Please see page 68.

(16) The Madras Administration Report × do not contain the information required by the Councillor. It has therefore to be obtained from the head of the Stamp Dept, Madras. Whether an Stamp Comr can write and get the information from him or whether it has to be obtained through the Residency is not clear. Branch V may be requested to note on this point. Submitted for orders.

ASR (121) 25/1

25/1 in (17) Requested Stamp Comr to get the information if possible

SD

28/1/11.

(18) Draft submitted

ASR (121) 26/1

26/1 (19) Issued SD

28/1/11

To the Comr of Stamps no. 7E 4051 dt 1-2-11

for H Secs 478

Note—Contn. sheet.

GPB—50,000—12-8-10

Request

Serial No.

Request him to furnish information obtained regarding the marg documents impounded and of prosecutions ordered for evasion of Stamp Law in the Madras Press during the past three years

2 From the Comr of stamps
no 379 dy 24-6-11

Forwards two tabular statements giving the information above called for (1) for the Madras Presidency & (2) for the Mysore State

(20) Subd the information was called for by the First Cancellor.

A88 (24) 27/6 27/6/11

(21) Even in Madras the number of prosecutions ~~for~~ instituted is not very large.

27/6/11

(22) The statistics of prosecutions for evasion of stamp duty in Madras, Bombay, United Provinces

R. S. 12]
General and Revenue Secretariat.

SR File No. 223 of 1909

Serial No.

are interesting as showing that the Stamp authorities there recognize the necessity of some judicious precautions which probably help to keep down the number of such evasions. In Mysore the number of prosecutions is Nil (There was one in 1908-9) Comment is superfluous

CSB
30/6/11

Dewan

CSB
30/6/11

12303

1.7.11 (23) To the present Dewan Member for his perusal

Sd/- Sheshadri

Sub to 2nd C

CSB
11/8/12

(24) I quite agree with Mr. Hamilton in his opinion contained in his minute of 18.5.10. No action seems necessary

NOTE—Contn. sheet.

GPB—50,000—12-8-10

G. R. S. 12]
General and Revenue Secretariat.

S. R File No. 223 of 1909

Serial No.

47 v

There is no necessity to ask the Opposite Record in such case his reasons for ordering process. It is the other way, that is, the Dist. Kazi should record his reasons for ordering process.

16/5/12

1411
21-5-12

Dewan

95

16/5/12

17/5/12

NOTE—Contn. sheet.

GPB—50,000—12-8-10

P. T. O.

to record proceedings explaining why he abstained from ordering a prosecution in each case of impounded document would be inconsistent with the Regulation.

(29) 4. On a perusal of the statistics of prosecutions under the Indian Stamp Law instituted in certain British Provinces, Mr. K.P.Puttanna Chetty (then First Councillor) observed that the Stamp authorities there recognized the necessity of some judicious prosecutions which probably helped to keep down the number of evasions of Stamp duty. The number of prosecutions in Mysore on the other hand was as follows:-

Pages 10 + 11 of notes.

During	07-08	-	Nil.
	08-09	-	4.
	09-10	-	Nil.

(30) 5. The present Second Councillor Mr.D.Devaraj Urs agrees with the views expressed by the First Councillor.

Pages 11 + 12 of notes.

(31) 6. I submit the case for orders. Section 43 of the Mysore Stamp Regulation provides that the taking of proceedings or the payment of a penalty in respect of any instrument shall not bar the prosecution of any person who appears to have committed an offence against the Stamp Law in respect of such instrument. Before ordering a prosecution under this section, the Deputy Commissioner has to be satisfied that the offence was committed with an intention of evading the payment of the proper duty. Sir Stanley Ismay's proposal only amounts to this that while, on the

one hand, the very fact of the Deputy Commissioner's ordering a prosecution would imply that the case is one in which, it appears to him that there was intention of evading payment of the proper Stamp duty, on the other hand, the Deputy Commissioner should record his reason for abstaining from ordering a prosecution. Such a rule would ensure the Deputy Commissioner considering every case and judging one way or the other, instead of any case escaping or being withheld from his notice. As a matter of fact, though the law is clear, there is abundant reason to believe that sufficient attention has not been bestowed to the cases sent up to Deputy Commissioners The word 'prosecution' seems to cause some alarm in the minds of Councillors. The late First Councillor Mr. K.P. Puttanna Chetty did not apparently share this alarm and he recognized the necessity for some judicious prosecutions as being calculated to help to keep down the number of evasions of Stamp Law. As a matter of fact, the word 'prosecution' need not create an alarm as it only means the submission of a case for judicial investigation and decision. Prosecutions are prescribed as one of the methods for recovering arrears of Municipal taxes. Prosecutions for evasions of Stamp duty are much on the same footing.

478.

III
Vol. IV.

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.

(33)

Suggestions of Sir Stanley Ismay K.C.S.I., late Chief Judge, on the desirability of Deputy Commissioners recording their reason in every case of evasion of Stamp duty brought to their notice for ordering a prosecution or for abstaining from so doing.

No. 729
15.10.12

Order.

430

(34)

I agree with the Dewan.

~~KRW~~

16/11/12

(35)

Secretary

14.11.12 RG

(36)

Bill

Please put up draft

ES

21/11

21/11/12

22/11/12

P.T.O.

H Mis 478

G. R. S. 12]

General and Revenue Secretariat.

S.R File No. 223 of 1912

Serial No.

478

I don't think this can be rightly regarded as a rule. It is only an Executive instruction.

7/12/12

(37) Subd with a draft proceedings on the lines of the Dewan's submission note to His Highness.

(38) It is perhaps necessary to frame a rule to the effect under Section 75 of the Stamp Regulation. The draft of a notification embodying the order is put up.

7/12/12

(39) Please make a fair Cpy

5/12/12

(40) Fair dft-Subd.

Mr. 83

6/12/12

(41) Draft order may be appd.

[A notification need not issue]

7/12/12

Sd/- 1st Circulator

23

9/12

Dft- appd by 1st Cr.

23

10/12

NOTE—Contn. sheet.

7/12/12

GPE—65,000—17-C-12.

18/12/12

G. R. S. 12]

General and Revenue Secretariat.

S.R. File No. 223 of 1909-10

Serial No.	
3	To. The Commissioner of Stamps in Mysore & the Dy. Commrs. of Districts. G. O. No. R. 3473-81 of 23.12.12 Directs that the Dy. Commrs. should, in every case of evasion of stamps only brought to their notice in which a prosecution is not ordered, record their reasons for abstaining from passing such an order.

NOTE—Contn. sheet.

GPE—65,000—17-C-12.

G.R.S. 26]

File No. 273 o

Serial No. 1

*Diary No. of letter replied to*_____

No. Je 4057

dy 1-2-1911

General and Revenue Secretariat

(SepRev)

, the 19 .

To

The Comr of Stamps

in Mysre

Date of issue 1-2-1911

Signed by W Hitchcock

Sir

I am directed to request you will be so good as to obtain and furnish, if possible, information regarding the number of documents impounded and of prosecutions ordered for evasion of Stamp law in the Madras Presy during the last 3 years.

I have &c

for Secy to Govt

~~SUBJECT.~~

ASR (12) 24/11/26

SK 31.1

190

From
K.Doraswami Iyer, Esq.,
Offg.Commissioner of Stamps
in Mysore,

To
C.S.Balasundaram Iyer, Esq.,B,A.,
Offg.Secretary to the Govt. of
H.H. The Maharaja of Mysore,
General & Revenue Departments.

Dated } 24th June 1911.
Despatched }

Received

General No. 374
No.

Enclosure No. 1

Forwards a statement showing the number od documents impounded and of prosecutions for evasion of Stamp Laws in the Madras Presidency and in the Mysore State during the past three years.

GPB—70 reams—27-12-09

No. 379

Enc. 1

Office of the Commissioner of Stamps
in Mysore,
Dated Bangalore, 24th June 1911.

From

K.Doraswami Iyer, Esq.,
Offg.Commissioner of Stamps in Mysore,

To

C.S.Balasundaram Iyer, Esq.,B.A.,
Offg.Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments.

Sir,

As desired in your letter No.Fl.4051/5.R.223-09 dated the 1st February 1911, I have the honor to forward herewith a statement showing the number of documents impounded and of prosecutions for evasion of Stamp Laws in the Madras Presidency during the past three years. A similar statement for the State has been compiled from information obtained from Deputy Commissioners, and is also submitted herewith for information. It will be seen from the latter statement that the number of prosecutions in the State is only four.

I have the honor to be,

Sir,

Your most obedient servant,

K.Doraswamy Iyer

Offg.Commissioner of Stamps.

(4)

G.R.S. 28] 2 copies

File No. 223-09

Serial No. 3

Diary No. of letter replied to

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT.

( )

, *the* 191 .

READ—

Date of issue 23-12-12

Signed by W Thirumala Rao

ORDER ~~THEREON~~.—No. H 3473-87

23-12-12

Judging from the very small number of prosecutions instituted in the State for evasions of Stamp duty the Govt. have reason

over.

SUBJECT.

to believe that sufficient attention is not being bestowed by the Dy. Comrs of Distts to cases of such evasions brought to their notice. In order therefore to ensure proper attention being paid to such cases the Govt. direct that the Dy. Comrs should in every case of evasion of Stamp duty brought to their notice in which a prosecution is not ordered record their reasons for abstaining from passing such an order.

Offg Secy 23
19/12 "Print"

20

The Rev. Comr. of Stamps
" Dy Comrs of Distts. to inspire

15/12

GPB.—20,000—2-10-11

Copies 19/12/12

Proceedings of the Government of His Highness the Maharaja of Mysore, Financial (Separate Revenue), dated 23rd December 1912.

No. Fl. 3473-81—S. R. 223-09-3, dated Bangalore, 23rd December 1912.

Order.—Judging from the very small number of prosecutions instituted in the State for evasion of stamp duty, the Government have reason to believe that sufficient attention is not being bestowed by the Deputy Commissioners of Districts to cases of such evasions brought to their notice. In order, therefore, to ensure proper attention being paid to such cases the Government direct that the Deputy Commissioners should, in every case of evasion of stamp duty brought to their notice in which a prosecution is not ordered, record their reasons for abstaining from passing such an order.

K. R. SRINIVASIENGAR,
Offg. Secy. to Govt., Gen. & Rev. Depts.

To—The Commissioner of Stamps in Mysore.
The Deputy Commissioners of Districts.

Exd.—C. R.

1912-13

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

FINANCIAL
(SEPARATE REVENUE)

PROCEEDINGS

Dated 23rd December 1912

No. Fl. 3473-81
S. R. 223-09-3

Directs that the Deputy Commissioners should, in every case of evasion of stamp duty brought to their notice in which a prosecution is not ordered, record their reasons for abstaining from passing such an order.

GPB—8-1-13—200